IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

SUMMONS FOR JUDGMENT NO. 532 OF 1998

IN

SUM.SUIT NO. 1337 OF 1998

S.M. Dychem Ltd., .. Plaintiffs

vs.

Aarey Drugs & Pharmaceuticals Ltd., .. Defendants.

Mr. B. Colabawala a/w Atul D. Thakkar
for plaintiffs.

Mrs. Sushma Joshi i/by Harish Mehta & Co.
for defendants.

CORAM : S.U.KAMDAR, J.

DATE : 26th SEPTEMBER, 2005.

P.C.

. The present suit is filed on dishonoured cheque for a sum of Rs. 5,27,694/- with further interest on principal sum of Rs. 3,42,678/- at the rate of 24% per annum. Earlier the summons for judgment was adjourned sine die because the company was under BIFR. However, the reference has been dismissed by the BIFR. The defendants have filed an affidavit in reply dated 19.10.1998. Two defences

are raised in the affidavit in reply. Firstly that no notice of dishonoured cheque was given and secondly as mentioned in Exhibit D the letter dated 25.9.1997, the same is not given by the plaintiff. I find no merit in either of the contentions. There is no need to issue a notice of demand after the cheque has been dishonoured. The defendants ought to have known the fact that the said cheque is dishonoured. The suit is decreed as prayed. However, the rate of interest will be at the simple rate of 18% per annum on the principal amount of Rs. 3,42,678/- from 9-10-1995 till payment and/or realisation.